July 30, 2010

WASHINGTON, D.C. – Today in a bipartisan vote, the House of Representatives passed an amendment by Congressman Charlie Melancon (LA-03) to lift the current moratorium on deepwater drilling the Gulf of Mexico. The amendment was offered to the *Consolidated Land, Energy, and Aquatic Resources* (CLEAR) Act (H.R. 3534).

In a speech on the floor of the U.S. House of Representatives urging his colleagues to support the amendment, Congressman Melancon said, "Make no mistake – BP was a bad player. As we have discovered through numerous Congressional hearings, this company took dangerous shortcuts to save money. They ignored warning signs and the advice of their own workers who were concerned about the stability of the well. And they continued to drill, even when they KNEW that the safety mechanisms in place to prevent a blowout were not working properly. And 11 good men died because of their greed."

Congressman Melancon continued, "But, an indiscriminate, blanket moratorium punishes the innocent along with the guilty for the actions and the poor judgment of one reckless company. If a rig meets all of the tough new safety requirements issued by the Department of the Interior, if it has been fully inspected and deemed safe, why should it sit idle – and the workers of that rig go jobless – until the arbitrary six month period is over?

"Louisiana has a working coast, where people make good paychecks producing the domestic energy that drives our nation. They want to get back to work, doing jobs they love, jobs that provide a good life for their families.

"The Childers-Melancon amendment will lift the moratorium in a responsible way and allow our workers to continue producing energy. And it will still hold companies accountable for higher safety standards, so we never again experience a disaster like Deepwater.

Congressman Melancon continued, "On behalf of the workers of the Gulf Coast, on behalf of the small businesses, and on behalf of all the people of my state who thought they had made it through the worst part of this disaster, I urge my colleagues to vote for this amendment to lift this administration's offshore drilling moratorium."

<u>Click here</u> to view Congressman Melancon's speech. The text of Congressman Melancon's full speech, as prepared for delivery, is copied below.

Congressman Melancon has been pressing the federal government since May to end the moratorium

on deep-water drilling and clarify new regulations for shallow-water drilling

that have created a "de facto" moratorium in the Gulf. The offshore energy industry is a major economic engine for south Louisiana, providing thousands of jobs and supporting numerous locally-based service companies in Congressman Melancon's Congressional district.

The Melancon amendment would lift the deepwater moratorium on offshore drilling for companies that meet the new safety requirements issued by the Department of the Interior in the wake of the explosion. Specifically, if an application for a permit to drill complies with the "Notice to Lessees" 5 and 6, complies with any further safety measures recommended by the Secretary, and has completed all required safety inspections, the moratorium will not apply to the drilling application.

The Melancon amendment will also work to prevent another disaster from occurring and ensure companies are better able to respond to oil spills. The Secretary of the Interior will be required to report by October 31st to the House Committee on Natural Resources and the Senate Committee on Energy and Natural Resources on the status of:

- (1) the collection and analysis of evidence regarding the potential causes of the explosion on the Deepwater Horizon offshore drilling rig, including information collected by the Presidential Commission and other investigations,
- (2) implementation of safety reforms announced by the Department of the Interior on May 27th,
- (3) the ability of operators in the Gulf of Mexico to respond effectively to an oil spill in light of the Deepwater Horizon incident; and
- (4) industry and government efforts to engineer, design, construct and assemble wild well intervention and blowout containment resources necessary to contain an uncontrolled release of hydrocarbons in deep water, should another blowout occur.

Congressman Melancon's Remarks on the Floor of the U.S. House of Representatives in Support of the Melancon Amendment to Lift the Deepwater Moratorium July 30, 2010

Mr. Speaker, I urge my colleagues to support this amendment and lift the deepwater moratorium for companies that meet the new safety guidelines recently set in place by Secretary Salazar.

Make no mistake – BP was a bad player. As we have discovered through numerous Congressional hearings, this company took dangerous shortcuts to save money. They ignored warning signs and the advice of their own workers who were concerned about the stability of the well. And they continued to drill, even when they KNEW that the safety mechanisms in place to prevent a blowout were not working properly. And 11 good men died because of their greed.

The tragedy on Deepwater opened our eyes to the need for tougher safety standards for offshore drilling. For the need to strengthen the enforcement of both new and existing laws. And, for the need to protect workers who report their companies' dangerous, and even illegal practices, to regulators, so that we can stop another accident before it happens.

But, an indiscriminate, blanket moratorium punishes the innocent along with the guilty for the actions and the poor judgment of one reckless company. If a rig meets all of the tough new safety requirements issued by the Department of the Interior, if it has been fully inspected and deemed safe, why should it sit idle – and the workers of that rig go jobless – until the arbitrary six month period is over?

People in Louisiana understand that this doesn't make sense. Louisianians want more than anyone to prevent another disaster from happening in our waters. But, the irresponsible decisions and dangerous actions of one company shouldn't shut down an entire sector of our economy, sending thousands of workers to the unemployment line. We need to fix the problems that led to this disaster in the Gulf, without paralyzing America's domestic energy industry in the process.

That's what my amendment does. Instead of a blanket moratorium, my amendment would allow drilling permits to be approved for those rigs that meet the new, tougher safety requirements issued by the Department of the Interior in the wake of the explosion.

Those 31 stalled drilling rigs directly employ some 1,400 workers. Hundreds of small businesses in Louisiana service those rigs, or, are in some way supported by the offshore oil and gas industry. According to research by Dr. Joseph Mason of Louisiana State University, under the current six-month moratorium, the Gulf Coast region will lose more than 8,000 jobs, nearly \$500 million in wages, and over \$2.1 billion in economic activity, as well as nearly \$100 million it state and local tax revenue. And, that's only if the drilling will start back immediately in 6 months.

But, you don't need to be an economist to see the impact of the moratorium on south Louisiana. You just need to drive through coastal parishes like Lafourche and Terrebonne or to Grand Isle. Talk to people like Shelly Landry, who owns and operates her family's grocery store on Grand Isle, who told me with tears in her eyes that the moratorium was shutting down the coast, hurting her business more than the actual oil spill. People like Ms. Landry are still learning to cope with the impact of the oil disaster, and now they feel they are being dealt a second blow – this time by their government.

Louisiana has a working coast, where people make good paychecks producing the domestic energy that drives our nation. They want to get back to work, doing jobs they love, jobs that provide a good life for their families.

The Childers-Melancon amendment will lift the moratorium in a responsible way and allow our workers to continue producing energy. And it will still hold companies accountable for higher safety standards, so we never again experience a disaster like Deepwater.

On behalf of the workers of the Gulf Coast, on behalf of the small businesses, and on behalf of all the people of my state who thought they had made it through the worst part of this disaster, I urge my colleagues to vote for this amendment to lift this administration's offshore drilling moratorium.

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